

OVERVIEW OF
RISK MANAGEMENT SYSTEM
ONLINE TRADING SYSTEM

A PART OF
K/COMPUTE WINNING™ BROKERAGE SUITE



Windows



SmartPhones



WWW



PDAs

**RISK MANAGEMENT SYSTEM
ONLINE TRADING SYSTEM
A PART OF KCOMPUTE XMS® SUITE**

INTRODUCTION

Our target is always to provide unbiased and best solutions by allowing our clients to exploit our topnotch expertise. Not only our expertise but also our technological levels and innovational thrill is at the disposal of our clients who we believe derive our services

We seek and look forward for arenas of not only our growth but also the growth for our client, which leads to development of synergic and mutual long-term relationships.

SOLUTION OVERVIEW

Risk Management for a Brokerage House comprises of planning and enforcing counter safety measures for losses on trades being required to be made by customers of the brokerage house.

Scope of Risk Management is not limited to trading policies and procedures, but can also be expanded to aging of accounts receivable, accounts payable, receipts and payments, getting confirmations of trades from customers via Email, SMS or telephone.

The system is designed to be highly scalable and allows you and your customers to perform trading activities from any part of the world either from home, office or during traveling.

The Risk Management System sits in the center of all these activities and analyzes business rules, manages client wise exposure levels, trading related policies, manages security rules and connectivity policies and performs pre-defined counter safety measures.

TECHNOLOGY OVERVIEW

The system is built on the latest industry standard, scalable operating system **Microsoft Windows®**. With inherent advance features of **Microsoft .NET Framework** as its development platform, the product and User Interface is efficient, extremely fast, and easy to install. It also allows ease of entry, navigation and configuration of resources and devices.

The mobile based application running on SmartPhones/PDAs can run on either **Symbian®** or **Windows Mobile** operating systems. It communicates with the Central Server via mobile internet over **GPRS**.

Selecting a scalable and dynamic Database Management System i.e. **Oracle or SQL Server** this software package will be capable of handling large volume of data with high-speed access, reliability and security and to establish distributed database architecture among different branches.

RISK MANAGEMENT SYSTEM – COMPONENTS

Customer Portfolio Management

This system provides an interface to view/search/analyze and calculates customer's holding and its net worth.



Personal Portfolio Manager and Market Watch Mobile Based

Customers will be able to view live Market Feed filtered by scripts of their choice. Customers can also be able to view their current Portfolio and holdings at your organization and will be able to see their net worth and trade limits.

The feature rich interface, also helps a customer keep track of profitability of his/her holdings and updates it as each buy/sell transaction takes place. The profit/loss is compared with current market prices.

Pre-Trade Risk Management System

This system examines each trade in real-time and verifies it using various filters before it passes the trade to Clearing House i.e. ISE/LSE/KSE. These filters can only be applied to trades that are going to be passed through the integrated Gateway based Trading Server.

Post-Trade Risk Management System

This system will report transactions that should not have passed to the clearing house. These are trades which were not passed using the integrated Gateway based Trading Server.

Business Risks Monitor

This system will monitor and report a vast range of business operations and highlight those transactions which are found to go outside the safety boundary. This is accomplished by monitoring database tables and views of existing applications in the organization.

ONLINE TRADING SYSTEM - COMPONENTS

Trade Server

This system manages all trade requests and responses between an agent/broker/customer and the Clearing House. All trades entered by authorized users would be first sent to Pre-Trade Risk Management System for verification and then forwarded to ISE/LSE/KSE using their Order Management System (OMS) Gateway.

Message Server

This server broadcasts various trading and market information messages to its connected clients. Each connected client can be configured to receive the type of messages and communication protocol.

Workstation Access Server

This server allows your organization's authorized workstation to connect to the main Trade and Message server. The workstations can be any of the following types:

- Branches
- Home based Customers
- Mobile based Customers, and
- any online branch or customer

All connections are logged and can be monitored for troubleshooting and performance management.

Trade Confirmation Server

This automated facility sends trade confirmations to its clients using **SMS** and/or email. Each customer can be configured to receive the mode(s) of confirmation message. Messages are queued for delivery when a trade confirmation is received from the clearing house. This service can also be configured and customized for other business operations for e.g. Payment Receipts, Deliveries, and Reminders etc.

The image displays the KCompute trading software interface. The main window shows a 'Market Watch' table with columns for MarketType, Script, BuyVolume, BuyPrice, SellPrice, SellVol, LastPrice, LastTradeVol, TurnOver, TradeTotal, OPEN, Average, High, and Low. A 'Buy Order' dialog box is open in the foreground, showing fields for Market (REG), Volume (1000), Symbol (SNGP), Price (70.15), Account (H02), and Order Nature (Short). A mobile phone is shown to the right, displaying a 'Market Watch' screen with a list of market data and a 'Send Sell Order' button.

MarketType	Script	BuyVolume	BuyPrice	SellPrice	SellVol	LastPrice	LastTradeVol	TurnOver	TradeTotal	OPEN	Average	High	Low
REG	PCL	4400	331.90	332.00	12000	331.90	1000	81700	89	331.0000	331.99	332.30	331.90
REG	PPL	2600	262.25	262.30	800	262.30	200	145100	87	261.7000	262.22	262.40	262.10
REG	PTC	9000	52.50	52.65	60000	52.50	1000	157000	32	52.5000	52.52	52.70	52.35
REG	PSO	1900	367.75	367.95	1000	367.70	100	54200	46	365.2500	367.57	368.50	367.00
REG	BOP	153600	95.10	95.15	67900	95.10	25000	1398700	307	94.1000	94.94	95.30	94.50
REG	OGDC	6700	121.50	121.60	5000	121.50	1000	25900	35	121.2500	121.51	121.65	121.50
REG	ENAKO	1000	195.10	195.95	8200	195.95	1800	62100	30	195.3500	195.92	196.00	195.00
REG	NBP	14700	247.80	247.95	1000	247.80	5300	313800	117	247.2500	247.74	248.20	246.20
REG	DGIC	15600	96.50	96.60	5000	96.50	4400	216900	78	96.5500	96.61	96.75	96.50
REG	HCI	173000	281.50	281.70	5000	281.50	3000	339500	252	279.4500	280.97	281.90	281.00
REG	AKL	1000	205.15	205.85	3100	206.00	500	19600	19	203.2000	205.20	206.00	206.00
REG	LUOK	1300	95.90	96.00	1900	96.00	3300	323900	142	95.6000	96.02	96.25	96.25
REG	PFPL	10000	33.30	33.30	6000	0.00	0.00	0.00	0.00	33.2500	0.00	0.00	0.00
REG	BAFL	3000	47.90	47.95	2500	47.95	500	52000	27	47.8000	47.92	47.95	47.95
REG	SNGP	1000	71.90	72.00	700	71.90	500	2200	06	72.0000	71.76	71.90	71.90
REG	TRIS	10000	10.65	10.75	5000	0.00	0.00	0.00	0.00	10.7800	0.00	0.00	0.00
REG	NETSOL	2000	52.30	52.75	1500	52.30	1000	4000	04	52.0500	52.52	52.75	52.75
REG	THALL	200	236.00	243.45	100	0.00	0.00	0.00	0.00	242.5000	0.00	0.00	0.00
REG	ZELP	6000	5.65	5.75	2000	0.00	0.00	0.00	0.00	5.7000	0.00	0.00	0.00
REG	ACBL	22000	86.50	86.65	5200	86.50	7800	1096300	183	85.7000	86.57	86.90	86.90
REG	DCL	11000	15.25	15.30	5000	15.20	4000	151000	33	15.2500	15.35	15.40	15.40